

**Campaign Legal Center • Common Cause • Democracy 21
League of Women Voters • Public Citizen • U.S. PIRG**

February 6, 2008

House Speaker Nancy Pelosi
H-232, US Capitol
Washington, DC 20515

Dear Speaker Pelosi:

As you know, our organizations strongly supported the landmark ethics and lobbying reforms passed by Congress last year and strongly praised the House for this major accomplishment.

Our organizations include the Campaign Legal Center, Common Cause, Democracy 21, the League of Women Voters, Public Citizen and U.S. PIRG.

One of the important new ethics rules adopted by the House last year requires that during a national party convention, a Member “may not participate in an event honoring that Member ...if such event is directly paid for by a registered lobbyist...or a private entity that retains or employs such a registered lobbyist.” Rule XXV, cl. 8.

The purpose of this rule was to prevent lobbyists and lobbying organizations from currying favor with Representatives by paying for lavish parties to “honor” the Representatives at the national conventions, as has been done at past conventions.

The language, purpose and spirit of the new ethics rule makes clear that this includes lobbyist-funded parties at the national conventions to “honor” multiple House members, such as a congressional state delegation, a congressional committee, a congressional caucus or any other group of members of Congress.

Nevertheless, the House Ethics Committee issued a guidance on December 11, 2008 stating that the new ethics rule applies only if a party “honors” a specific Member, but not if the party “honors” a group of Members.

The Ethics Committee’s unjustifiable guidance threatens to seriously undermine the public credibility of the new ethics rules.

It would mean that the goal of the House in adopting the new rule was to prevent a lobbyist or lobbying organization from paying for a lavish party to curry favor with a single Representative, but not to prevent the same lobbyist or lobbying organization from paying for a lavish party to curry favor with a group of Representatives.

This makes no sense.

Furthermore, it is in direct conflict with an interpretation of the same ethics rule in the Senate issued by the Senate Ethics Committee, and with an interpretation made by the House Clerk and Senate Secretary of analogous language contained in the new lobbying disclosure law.

The House Clerk and Senate Secretary correctly concluded that the lobbying disclosure provision requiring lobbyists and lobbying organizations to report payments made for “the cost of an event to honor or recognize a covered legislative branch official,” covers payments for events held for multiple honorees from Congress.

The Senate Ethics Committee interpretation issued on February 4, 2008 makes clear that the Senate ethics rule, virtually identical to the House ethics rule, does not allow lobbyists or lobbying organizations to pay for events at the national conventions to honor groups of Senators, such as a state congressional delegation or to honor specifically identified Senators.

A *Washington Post* editorial said about the House Ethics Committee guidance (January 14, 2008):

The new ethics law prohibits lobbyists and the entities that employ them from hosting -- read, paying for -- convention parties to "honor" lawmakers. This is a phenomenally cushy perk, in which key members of Congress get to entertain and curry favor with their supporters, at the expense of the lobbyists who want to curry favor with them. Section 305 of the new law provides that during the convention, a member of Congress "may not participate in an event honoring that Member . . . if such event is directly paid for by a registered lobbyist under the Lobbying Disclosure Act of 1995 or a private entity that retains or employs such a registered lobbyist." No parties, you might think?

Think again. The House ethics committee, in its wisdom, issued an interpretation of the new law last month that leaves little of it intact.

A *New York Times* editorial said about the House Ethics Committee guidance (February 4, 2008):

Congress's new ethics rules ban deep-pocketed corporate lobbyists from "honoring" members with lavish V.I.P. galas at the presidential nominating conventions. As originally written, the rules instructed House members to firmly decline the honor. But as newly loopholed by the committee, the rules will only ban a single lawmaker from being so honored. Representatives are free to belly up to fetes honoring groups of them.

The misinterpretation of the House ethics rule described above is not the only problem with the House Ethics Committee guidance on party conventions. The guidance also says, in effect, that lobbyists and lobbying organizations can finance parties “to honor” a single Representative by paying for the party through a conduit.

This interpretation would mean that a lobbyist or lobbying organization could do indirectly what they are prohibited from doing directly, which simply reverses the standard legal interpretation for such efforts to circumvent a law or rule.

On December 18, 2008 our organizations wrote to the House Ethics Committee on this matter. The letter concluded:

We strongly urge the Ethics Committee to withdraw the guidance on parties at the national conventions that it issued on December 11, 2007, and to provide new guidance for Rule XXV, cl. 8, that properly implements, rather than destroys, the new House ethics rule adopted to prevent lobbyists from throwing lavish parties for Members at the party conventions.

We have received no response from the Ethics Committee.

This is not the only guidance, furthermore, issued by the House Ethics Committee that has raised serious problems regarding its interpretation of the new House ethics rules.

Our organizations strongly urge you to take all steps necessary to ensure that the Ethics Committee withdraws its misinterpretation of the new ethics rule on party conventions and issues a new guidance that carries out the clear meaning, purpose and spirit of the new rule.

It is essential for the Ethics Committee guidance to be revised in order to prevent a major House accomplishment in this Congress from being publicly undermined and to protect the integrity and credibility of the House as an institution.

Thank for your attention to this matter.

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